

(e) An “Agreement for Administrative Requirements for Community Facilities Grants” will be signed by the grantee. For grants that supplement Agency loan funds, the grant should be closed simultaneously with the closing of the loan. However, when grant funds will be disbursed before loan closing, as provided in paragraph (a)(1) of this section, the grant will be closed not later than the delivery date of the first advance of grant funds.

§§ 3570.81–3570.82 [Reserved]

§ 3570.83 Audit requirements.

Audits will be conducted in accordance with §1942.17(q)(4) of this title. The audit requirements apply only to the years in which grant funds are received. Audits must be prepared in accordance with Generally Accepted Government Auditing Standards (GAGAS) using the publication, “Standards for Audit of Governmental Organizations, Programs, Activities, and Functions.”

§ 3570.84 Grant servicing.

Grants will be serviced in accordance with part 1951, subparts E and O of this title.

§ 3570.85 Programmatic changes.

The grantee shall obtain prior approval for any change to the objectives of the project. (For construction projects, a material change in approved space utilization or functional layout shall be considered such a change.) Failure to obtain prior approval of changes to the approved project or budget can result in suspension, refund, or termination of grant funds.

§ 3570.86 [Reserved]

§ 3570.87 Grant suspension, termination, and cancellation.

Grants may be suspended or terminated for cause or convenience in accordance with parts 3015, 3016, or 3019 of this title, as applicable.

§ 3570.88 Management assistance.

Grant recipients will be supervised, to the extent necessary, to ensure that facilities are constructed in accordance with approved plans and specifications

and to ensure that funds are expended for approved purposes.

§ 3570.89 [Reserved]

§ 3570.90 Exception authority.

The Administrator may, in individual cases, make an exception to any non-statutory requirement or provision of this subpart if the Administrator determines that application of the requirement or provision would adversely affect the Government’s financial interest and shows how the adverse impact will be eliminated or minimized if the exception is made. Requests for exceptions must be made in writing by the approval official.

§ 3570.91 Regulations.

Grants under this part will be in accordance with parts 3015, 3016, or 3019, as applicable, of this title and any conflicts between those parts and this part will be resolved in favor of the applicable parts 3015, 3016, or 3019, as applicable.

§ 3570.92 [Reserved]

§ 3570.93 Regional Commission grants.

(a) Grants are sometimes made by Federal Regional Commissions for projects eligible for RHS assistance. RHS has agreed to administer such funds in a manner similar to administering RHS assistance.

(b) The transfer of funds from a Regional Commission to RHS will be based on specific applications determined to be eligible for an authorized purpose in accordance with the requirements of RHS and the Regional Commission.

(c) The Appalachian Regional Commission (ARC) is authorized under the Appalachian Regional Development Act of 1965, as amended, to serve the Appalachian region. ARC grants are handled in accordance with the ARC Agreement (RUS Bulletin 1780–25) which applies to all ARC grants administered by RHS. Therefore, a separate Project Management Agreement between RHS and ARC is not needed for each ARC grant.

(d) Other Federal Regional Commissions are those authorized under Title V of the Public Works and Economic